

Growth-Inducing Impacts

7.1 Introduction

The State CEQA Guidelines require an EIR to discuss the ways in which a project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. This includes ways in which the proposed Project would remove obstacles to population growth or trigger the construction of new community service facilities that could cause significant effects. Section 15126.2(d) of the State CEQA Guidelines states:

Discuss the ways in which the proposed project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. Included in this are projects which would remove obstacles to population growth (a major expansion of a waste water treatment plant might, for example, allow for more construction in service areas). Increases in the population may tax existing community service facilities, requiring construction of new facilities that could cause significant environmental effects. Also discuss the characteristic of some projects which may encourage and facilitate other activities that could significantly affect the environment, either individually or cumulatively. It must not be assumed that growth in any area is necessarily beneficial, detrimental, or of little significance to the environment.

The analysis presented below is focused on whether the proposed Project would directly or indirectly stimulate growth in the surrounding area. The proposed Project would not increase the terminal's throughput handling capacity; rather, it would implement safety improvements to meet current MOTEMS requirements (new loading platforms, pipeline and pipeline support, and topside equipment), product storage-related improvements to further minimize product leaks and improve leak detection (Source Control Program), and a new lease. Because the proposed Project would implement non-capacity enhancing improvements, it would not stimulate or cause growth (directly or indirectly), but rather would allow the terminal to continue to help meet the region's future energy demands by improving the terminal's ability to safely transfer liquid fuels and related liquid products.

7.2 Summary of Growth-Inducing Impacts

As discussed below, although the proposed Project would accommodate economic growth and would serve the area's existing and future population by helping to meet the region's future energy needs, the proposed Project would not directly foster or create economic or population growth by inducing demographic changes, and would not cause the construction of new housing in the Port's region of influence (Los Angeles County, Orange County, Riverside County, San Bernardino County, and Ventura County). The proposed Project would lead to the terminal's improved compliance with MOTEMS to

1 protect public health, safety and the environment and would not increase the capacity of
2 the terminal. The proposed Project would include issuance of a new 30-year lease that
3 would extend the operating life of the existing terminal (from 2023 to 2048), and would
4 accommodate, but not stimulate, economic growth by increasing the reliability of the
5 region's future energy handling capability.

6 **7.2.1 Direct Growth-Inducing Impacts**

7 A project would directly induce growth if it would directly foster economic or population
8 growth or cause the construction of new housing in the surrounding environment (e.g., if
9 it would remove an obstacle to growth by expanding existing infrastructure that is limiting
10 growth). The proposed Project is located in an area of Mormon Island that is currently
11 developed with a variety of cargo handling operations (including container, liquid bulk,
12 dry bulk, and break bulk). The proposed Project would include implementation of
13 measures to comply with MOTEMS and issuance of a new 30-year lease. In this way,
14 the proposed Project would directly accommodate future economic growth by helping to
15 meet the energy import demands of the region. As can be seen in Table 2-1 in Chapter 2,
16 Project Description of this Draft EIR, the terminal's throughput has varied over the years,
17 and includes both increases and decreases. Further, as explained in Chapter 1,
18 Introduction of this Draft EIR, fuel consumption in California and the nation is, to a large
19 part, influenced by economic conditions, in that fuel consumption generally decreases
20 during economic recessions, and increases during periods of economic growth.

21 The proposed Project does not include the development of new housing or population-
22 generating uses or infrastructure that would directly encourage such uses. The residential
23 area in the immediate vicinity of the proposed Project (San Pedro and Wilmington
24 communities) is primarily built out, although vacant and underdeveloped parcels
25 currently exist in Wilmington. Development within these communities is subject to land
26 use controls in the City's General Plan and zoning, and therefore, development cannot be
27 attributed to the proposed Project.

28 As discussed in the Revised NOP in Appendix A of this Draft EIR, Checklist Items
29 XVII(b) and XVII(d), implementation of the proposed Project would generate a minimal
30 increase in water consumption. However, because the proposed Project would not
31 include the addition of buildings that would increase the number of plumbing fixtures,
32 nor would the proposed Project include major water-consuming industrial or commercial
33 processes, construction and operations would not require substantial quantities of water.
34 Therefore, the proposed Project would not require a significant increase in water use and
35 would not substantially affect water supply as adequate supplies are available to
36 accommodate any minimal increase needed by the proposed Project. As such, no
37 increased capacity of water infrastructure would be required to serve the proposed
38 Project.

39 The proposed Project would result in a minimal increase in demand for electricity and
40 would not substantively affect electricity demand. Adequate supplies are available to
41 accommodate anticipated increases in demand associated with operation of the proposed
42 Project. Therefore, no increased capacity of electrical energy infrastructure would be
43 required to serve the proposed Project.

44 The proposed Project would also result in minimal increases in wastewater output and
45 would not substantively affect wastewater generation. As discussed in the Revised NOP
46 (Appendix A of this Draft EIR), adequate capacity is available in the existing sewer trunk
47 lines in the Project area to accommodate anticipated minor increases in wastewater output

1 associated with operation of the proposed Project. Wastewater flows generated from
2 implementation of the proposed Project would be conveyed to, and treated by, the
3 Terminal Island Water Reclamation Plant, which currently operates at approximately 50
4 percent capacity. Therefore, no increased capacity of wastewater infrastructure would be
5 required to serve the proposed Project.

6 **7.2.2 Indirect Growth-Inducing Impacts**

7 A project would indirectly induce growth if it would foster economic or population-
8 expanding activities, which would lead to further development that increases demands on
9 existing facilities and eventually require construction of new facilities (e.g., an increase in
10 population as a result of development authorized by approval of a general plan).

11 Employees at the Project site consist of six full-time and one part-time employees. No
12 additional terminal employees would be required as a result of the proposed Project.
13 Therefore, operation of the proposed Project would not result in additional employment
14 that could induce economic growth or population growth. Since operation of the
15 proposed Project would not require additional employees during the new 30-year lease
16 period, the proposed Project would not increase long-term employment and there would
17 be no effect on the projected number of approximately 9.5 million jobs in the overall area
18 of influence (counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura)
19 by 2035.

20 As discussed in greater detail in Chapter 4, Socioeconomics, construction activities under
21 the proposed Project are expected to generate up to approximately 351 short-term direct
22 construction jobs. Construction of the proposed Project is subject to some variations. Up
23 to 24 construction workers would be required at the site at any given time, depending on
24 the construction phase, over the course of the construction period. The direct
25 construction jobs would also further result in 286 indirect and induced jobs related to
26 purchases from materials supply firms and their suppliers and household expenditures by
27 workers.

28 When temporary Project-related construction jobs (direct, indirect and induced) are
29 compared to regional employment levels of approximately 9.5 million jobs in 2035,
30 the proposed Project contribution accounts for approximately 0.007 percent of the
31 regional employment levels. Given the highly integrated nature of the regional economy
32 and the prevalence of cross-county and intercommunity commuting by workers between
33 their places of work and places of residence, as well as the temporary nature of
34 construction jobs, it is unlikely that new workers would change their place of residence in
35 response to the Port-related construction employment opportunities. Such potential
36 residential relocation is especially unlikely given that approximately 45 percent the new
37 jobs created are indirect/induced and, by their nature, distributed throughout the five-
38 county region (see Chapter 4, Socioeconomics). Thus, in the absence of changes in
39 places of residence by persons likely to fill the small number of construction jobs,
40 distributional effects on population and, consequently, housing assets are not likely to
41 occur.

42 As only a small number of temporary construction jobs would be created, negligible
43 impacts on population, housing, and community services and infrastructure are
44 anticipated. Because the proposed Project would not involve development of housing
45 and would not result in direct long-term increases in employment in the regional
46 workforce, the proposed Project would not have any significant effects on population
47 growth that would tax existing facilities or require the construction of new facilities.

1 The proposed Project would indirectly increase earnings to firms and households
2 throughout the region as proposed Project expenditures are spent throughout the region.
3 The short-term indirect effects from construction would incrementally increase activity in
4 nearby retail establishments as a result of construction workers patronizing local
5 establishments. However, the long-term effects in the immediate area from the proposed
6 Project would be small relative to the size of the regional economy. Overall, the
7 proposed Project would not generate significant indirect growth-inducing impacts.
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